Nova Scotia

Provincial Grain Commission

ANNUAL REPORT

FOR THE FISCAL YEAR ENDED MARCH 31, 1982

Nova Scotia Grain Commission

KENTVILLE AGRICULTURAL CENTRE
KENTVILLE, N.S. B4N 1J5
TELEPHONE (902) 678-7366

Kentville, N.S. B4N 1J5
January 7, 1983

The Honourable Roger Bacon
Minister of Agriculture &
Marketing
Province of Nova Scotia
P.O. Box 190
Halifax, Nova Scotia
B3J 2M4

Dear Sir:

Presented herewith, in accordance with Section 11(2) of the Provincial Grain Commission Act, is the annual report of the Provincial Grain Commission for the fiscal year ended March 31, 1982.

Respectfully submitted,

Ted Ueffing
Chairman

Robert E. Dechman
Secretary-Manager

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PROVINCIAL GRAIN COMMISSION

ANNUAL REPORT

YEAR ENDING March 31, 1982

COMMISSION MEMBERS

T. Ueffing - Chairman
G. Coldwell - Vice-Chairman
T. Mattie
J. Peill
J. Johnson
A. Rovers

STAFF

R. Dechman - Secretary-Manager
S. Brown - Supervisor
R. Quartermain - Grader
M. Gates - Accounting Clerk

BACKGROUND

The Provincial Grain Commission was established by an Act of the Legislature of Nova Scotia that was assented to by the Lieutenant Governor, May 19, 1977. Under the Act, grain means wheat, barley, oats, rye, corn, fababeans, soybeans, field peas, rapeseed, and such other crops as may be designated by the Governor in Council.

OBJECTIVES

The objectives and powers of the Commission as set down by the Act are:

(1) to buy, sell, store, dry, grade, distribute grain and promote grain production;

(2) to establish prices and make initial and final payments for grain purchased or marketed by the Commission;

(3) to acquire, hold or lease real and personal property;

(4) to erect buildings and other works necessary for the purchase, sale, drying, storage and handling of grain;

(5) to administer grain production incentive programs as requested by the Minister;

(6) to enter into and carry out agreements and arrangements for the use, operation, management, and control of grain drying and storage facilities;

(7) to carry out such other functions and discharge such other duties as the Minister may from time to time approve or determine.

With the approval of the Governor in Council, the Commission has made regulations:

(a) respecting the conditions of purchase, sale and distribution of grain by the Commission;

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(b) respecting the kinds, quantities, quality and dates of purchase of grain purchased by the Commission;

(c) fixing the dates of advance and final payments each year;

(d) fixing rates charged for drying, storage, grading, and handling of grain handled by the Commission.

SUMMARY

Grain Handling Facilities: The Commission operated three grain handling facilities in the province; one at Steam Mill, Kings Co., one at Bayhead, Colchester Co., and a third at Nictaux, Annapolis Co. The services of grading, drying, storage, assembling and shipping were provided to grain producers at all three locations. Protein evaluation was done on all loads of wheat delivered to the Steam Mill Grain Center at the time of delivery. Samples from loads delivered to the other locations were completed after delivery.

Advance Payments: On June 23, 1981 the Commission established the rate of advance payment for the various grains and subsequently provided funds to the Nova Scotia Winter Grain Marketing Board for distribution to growers based on the amount of grain delivered. Advances were provided totalling $894,683.27.

Upgrading of Facilities: During the year additional equipment was added to the receiving facilities at the Bayhead Grain Center to increase the receiving capacity and to improve the efficiency of the drying process.

Producer Associations: Marketing responsibilities for all grains was assumed by the Nova Scotia Winter Grain Marketing Board and a close working relationship between the Commission and the Board was maintained. This arrangement has further strengthened the approach to orderly marketing and permitted efficiencies in the operation of facilities and marketing pools.

OPERATIONAL REPORT

Advance Payments: The following table outlines the funds used, the number of producers participating in the various marketing pools and the advances received by each pool.

Table I

ADVANCE PAYMENTS BY COMMODITY

Type of Grain	Tonnes		No. of Producers		Total Advances	
	1980-81	1981-82	1980-81	1981-82	1980-81	1981-82
Winter Wheat	3,170.0	3,994*	77	111*	181,195.97	315,865.90*
Winter Rye	1,814.7	3,380	57	113	97,941.85	235,433.38
Barley	735.4	1,429	41	62	77,558.14	117,019.28
Oats	913.4	1,520	93	112	91,335.00	150,661.75
Spring Wheat	224.4	-	18	-	23,533.92	-
Corn	1,197.2	1,595	25	21	65,843.99	75,702.96
Total	8,055.1	11,918	311	419	537,408.87	894,683.27

* Includes spring wheat

Grain Handling Facilities: The volume of grain handled by the Commission is shown in the following tables and is broken down by type of grain, source and location.

Table II

GRAIN HANDLED STEAM MILL GRAIN CENTER

(Tonnes)

	1980-81			1981-82		
	Local	Western	Total	Local	Western	Total
Winter Wheat	2,094.8	-	2,094.8	2,332.1	-	2,332.1
Rye	880.6	-	880.6	1,601.8	-	1,601.8
Barley	570.7	5,802.7	6,373.4	921.0	6,051.0	6,972.0
Oats	758.4	-	758.4	1,071.2	-	1,071.2
Spring Wheat	158.7	859.3	1,018.0	-	193.7	193.7
Corn	1,765.5	3,249.2	5,014.7	2,422.7	4,288.4	6,711.1
Mixed Grain	-	-	-	-	-	-
Others	-	790.5	790.5	-	1,604.5	1,604.5
Total	6,228.7	10,701.7	16,930.4	8,348.8	12,137.6	20,486.4

Table III

GRAIN HANDLED BAYHEAD GRAIN CENTER

(Tonnes)

	1980-81			1981-82		
	Local	Western	Total	Local	Western	Total
Winter Wheat	106.4	-	106.4	441.6	54.3	495.9
Rye	168.8	-	168.8	672.3	-	672.3
Barley	296.8	384.7	681.5	556.3	560.6	1,116.9
Oats	471.3	-	471.3	543.6	63.2	606.8
Spring Wheat	80.2	41.6	121.8	96.7	51.3	148.0
Corn		72.7	72.7	-	306.2	306.2
Peas	24.5	-	24.5	-	-	-
Total	1,148.0	499.0	1,647.0	2,310.5	1,035.6	3,346.1

Table IV

GRAIN HANDLED NICTAUX GRAIN CENTER

(Tonnes)

	1981-82		
	Local	Western	Total
Winter Wheat	318.6	-	318.6
Rye	265.8	-	265.8
Barley	178.6	-	178.6
Oats	124.3	-	124.3
Spring Wheat	43.1	-	43.1
Corn	256.1	-	256.1
Total	1,186.5	-	1,186.5

The total grain handled from Nova Scotia producers by the Commission and by the Marketing Board is summarized in Table V. This does not include grain used directly on the producing farm or grain marketed directly to the trade or to fellow farmers by producers.

Table V

NOVA SCOTIA GRAIN HANDLED BY THE COMMISSION & MARKETING POOLS

(Tonnes)

	1980-81	1981-82
Winter Wheat	3,217.0	4,004.2
Rye	1,814.7	3,390.4
Barley	867.5	1,802.1
Oats	1,229.7	1,775.0
Spring Wheat	238.9	139.8
Corn	1,904.7	2,979.5
Peas	24.5	-
Total	9,297.0	14,091.0

ACKNOWLEDGEMENTS

The Provincial Grain Commission wishes to acknowledge the assistance received from producers and producer associations, in particular the Nova Scotia Winter Grain Marketing Board, and the work it has done on behalf of all grain producers in the province.

The Commission wishes also to acknowledge the co-operation received from the milling industry and the livestock feed trade organizations in the province for their assistance in marketing and handling the local crop.

In conclusion, the Commission wishes also to acknowledge the effort by its operational staff for the dedication to their work and effort they have put forward to serve their clientele.

PROVINCE OF NOVA SCOTIA

PROVINCIAL GRAIN COMMISSION

FINANCIAL STATEMENTS

MARCH 31, 1982

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
FINANCIAL STATEMENTS
MARCH 31, 1982

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AUDITOR'S REPORT

To the Chairman and Members of the
Provincial Grain Commission and to
the Minister of Agriculture and
Marketing

I have examined the balance sheet of the Provincial Grain Commission as at March 31, 1982 and the statement of revenues and expenses and the statement of equity for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Commission as at March 31, 1982 and the results of its operations for the year then ended in accordance with the disclosed basis of accounting as referred to in Note 1 to the financial statements, applied on a basis consistent with that of the preceding year.

A.W. SARTY,
AUDITOR GENERAL

Halifax, Nova Scotia
July 27, 1982

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
BALANCE SHEET
MARCH 31, 1982

ASSETS

	1982	1981
Current		
Cash (Note 2)	$ 253,360	$ 588,098
Short term investments	35,000	-
Accounts receivable-trade, net of allowance for doubtful accounts 1982 - $2,205; 1981 - $	76,451	70,399
Advances receivable (Note 3)	894,683	317,383
Grain inventory (Note 1(c))	72,124	47,175
	$1,331,618	$1,023,055

LIABILITIES AND EQUITY

Current		
Accounts payable	$ 80,889	$ 24,009
Due to producers	-	163,161
Long Term		
Advance from Province of Nova Scotia	950,000	600,000
Equity		
Grants and assistance from the Department of Agriculture and Marketing	905,579	601,677
Operating deficit	(604,850)	(365,792)
	$1,331,618	$1,023,055

APPROVED ON BEHALF OF THE BOARD

Chairman

Member

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
STATEMENT OF EQUITY
FOR THE YEAR ENDED MARCH 31, 1982

	1982	1981
Grants and assistance from the Department of Agriculture and Marketing		
Opening balance	$ 601,677	$ 369,022
Add: Expenditures paid on behalf of the Commission	303,902	232,655
Ending balance	905,579	601,677
Operating Deficit		
Opening balance	(365,792)	(266,388)
Add: Excess expenses over revenues	(239,058)	(99,404)
Ending balance	(604,850)	(365,792)
Equity	$ 300,729	$ 235,885

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
STATEMENT OF REVENUES AND EXPENSES
FOR THE YEAR ENDED MARCH 31, 1982

	1982	1981
Revenues		
Grain centre revenues (Schedule A)	$ 233,810	$ 124,001
Interest	45,898	27,945
Profit (loss) on sale of Commission owned grain	(4,682)	18,776
Other	-	292
	275,026	171,014
Expenses		
Grain centre operating expenses (Schedule A)	413,441	197,436
Administrative expenses -		
Salaries	56,521	50,359
Travel and meetings	22,671	13,530
Office expenses	17,837	8,716
Provision for bad debts	2,205	-
Other	1,409	377
	514,084	270,418
Excess expenses over revenues	$ 239,058	$ 99,404

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1982

1. Accounting Policies

These financial statements have been prepared in accordance with generally accepted accounting principles except as follows:

a) Purchases of capital equipment and machinery are expensed in the year of acquisition. These financial statements do not reflect the original capital construction costs of Commission facilities. These were included in the accounts of the Department of Development.

b) The Department of Agriculture and Marketing has assumed responsibility for various operating and administrative expenses. The Commission credits the payments to equity as a grant and reflects the expenses in the statement of revenues and expenses.

c) Grain inventories owned by the Commission are valued on the basis of purchase price plus loading and freight costs. Grains on hand at year-end, which have been received by the Commission to store on behalf of producers are not reflected in these financial statements.

2. Cash

The "Cash" figure is composed of the following amounts:

	1982	1981
General operating accounts	$ 90,510	$ 150,779
Monies due to producers for grain sold on their behalf by the Commission	-	131,967
Advance payment account (The Commission is authorized to make advance payments to producers through the Nova Scotia Winter Wheat Marketing Board. This program is funded by a $950,000 long term advance from the Province of Nova Scotia. As at March 31, 1982, $162,850 (March 31, 1981 - $305,352) was still available to be advanced to producers	162,850	305,352
	$ 253,360	$ 588,098

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
NOTES TO FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1982

3. Advances Receivable

During the year ended March 31, 1982, the Commission discontinued the practice of marketing pooled grain on behalf of producers. This function is now handled by the Nova Scotia Winter Wheat Marketing Board. Advances receivable at March 31, 1982 of $894,683 represent advances to the Nova Scotia Winter Wheat Marketing Board for distribution to the producers.

PROVINCE OF NOVA SCOTIA
PROVINCIAL GRAIN COMMISSION
SCHEDULE A - GRAIN CENTRE OPERATIONS
FOR THE YEAR ENDED MARCH 31, 1982

	Steam Mill	
	1982	1981
Revenues		
Handling and drying fees	$ 175,523	$ 109,224
Operating Expenses		
Salaries	90,091	67,875
Insurance	18,737	5,145
Equipment and machinery	24,552	20,684
Electricity	9,327	9,596
Fuel	34,970	23,345
Trucking	16,014	5,743
Storage	8,332	-
Other	16,405	9,468
	218,428	141,856
Operating Loss	$ 42,905	$ 32,632

Bay Head		Nictaux		Total	
1982	1981	1982	1981	1982	1981
$ 39,500	$ 14,777	$ 18,787	$ -	$ 233,810	$ 124,001
43,586	18,956	12,968	-	146,645	86,831
5,674	3,415	1,701	-	26,112	8,560
59,213	14,965	31,988	-	115,753	35,649
6,962	4,817	3,168	-	19,457	14,413
12,176	4,003	3,495	-	50,641	27,348
6,276	636	60	-	22,350	6,379
251	-	-	-	8,583	-
4,769	8,788	2,726	-	23,900	18,256
138,907	55,580	56,106	-	413,441	197,436
$ 99,407	$ 40,803	$ 37,319	$ -	$ 179,631	$ 73,435